

EXPLORATION DRILLING PROGRAM EXPANDED AT THE GURVANTES XXXV CSG PROJECT IN MONGOLIA

- **Additional well (Snow Leopard – 05) added to the 2022 exploration drilling program, located midway between SL-02 and SL-04 (see map at Figure 1)**
- **Opportunistic low-cost exploration well included in the 2022 drilling program to provide further data on both the upper and lower coal seams**
- **Drilling activities continue at SL-03R targeting the lower seam adjacent to where the upper seam was intersected in SL-03**

TMK Energy Limited (ASX:TMK) (“**TMK**” or the “**Company**”) is pleased to advise that, after the efficient drilling of Snow Leopard – 04 (SL-04), it has committed to drill SL-05 which is an opportunity to gather additional information on the upper and lower coal seams at relatively low cost at the Gurvantes XXXV CSG Project in the South Gobi Basin in Mongolia.

SL-05 presents a low cost (~US\$100,000) opportunity and is expected to be drilled to a depth of approximately 650 metres and is located midway between SL-02 and SL-04 (see map at Figure – 1).

SL-05 will complete the 2022 exploration drilling program and is being opportunistically undertaken to build on the excellent results to date and gather more data from both the upper and lower coal seams. The additional well is opportunistic given the current drilling rig is under contract and the necessary personnel and equipment are currently on site and available to complete the drilling and testing of an additional well.

Drilling continues at the SL-03R location following the re-start of operations. SL-03R is specifically targeting the lower seam adjacent to where the upper seam was intersected in SL-03 and is expected to take approximately two more weeks to drill and test.

The results from all five exploration wells will be incorporated into the dataset to determine the Company’s maiden contingent resource assessment expected to be completed in October 2022.

For the purposes of ASX Listing Rule 15.5, the Board has authorised for this announcement to be released.

Mr Brendan Stats, TMK Energy’s Chief Executive Officer commented:

“With the excellent results achieved to date and the much-improved performance of our new drilling contractor, we have taken the opportunity to add a fifth exploration well which will complete a successful 2022 exploration drilling program.

We have committed to SL-05 following discussions with our partner, Talon Energy, given the relatively low cost and high value add that can be accomplished from an additional exploration well, the results of which will feed directly into our maiden contingent resource estimate and the planning of the pilot well program which is currently underway.”



Figure 1 – Expanded 2022 Exploration Program Drill Hole Locations.

ABOUT TMK ENERGY LIMITED

TMK Energy Limited is listed on the Australian Stock Exchange (ASX:TMK) and holds a 100% interest in the Gurvantes XXXV Coal Seam Gas Project located in the South Gobi Basin of Mongolia and a 20% interest in the Talisman Deep Project, in the Barrow-Dampier sub-Basin. TMK is led by an Australian and Mongolian team bringing together the expertise and experience to develop the Gurvantes XXXV Project.

Talon Energy Limited (ASX:TPD) is earning a 33% Working Interest in the Gurvantes Project under an existing US\$4.65 million two-stage farm-out agreement executed in February 2021. Initial funding of US\$1.5 million is allocated to the current four well drilling and testing program. The second stage of funding, being US\$3.15 million, is currently budgeted towards the pilot well program being planned for later this year, should TPD elect to proceed with the second stage of the farm-out.

TMK are committed to responsibly developing this Project into a world class producing gas field on behalf of and for the benefit of Mongolia.

For more details on the Company please visit www.tmkenergy.com.au

Disclaimer: This announcement may contain forward looking statements concerning projected costs, approval timelines, construction timelines, earnings, revenue, growth, outlook or other matters ("Projections"). You should not place undue reliance on any Projections, which are based only on current expectations and the information available to TMK. The expectations reflected in such Projections are currently considered by TMK to be reasonable, but they may be affected by a range of variables that could cause actual results or trends to differ materially, including but not limited to: price and currency fluctuations, the ability to obtain reliable gas supply, gas reserve estimates, the ability to locate markets for CNG and hydrogen, fluctuations in gas and hydrogen prices, project site latent conditions, approvals and cost estimates, development progress, operating results, legislative, fiscal and regulatory developments, and economic and financial markets conditions, including availability of financing. TMK undertakes no obligation to update any Projections for events or circumstances that occur subsequent to the date of this announcement or to keep current any of the information provided, except to the extent required by law. You should consult your own advisors as to legal, tax, financial and related matters and conduct your own investigations, enquiries and analysis concerning any transaction or investment or other decision in relation to TMK. \$ refers to Australian Dollars unless otherwise indicated.